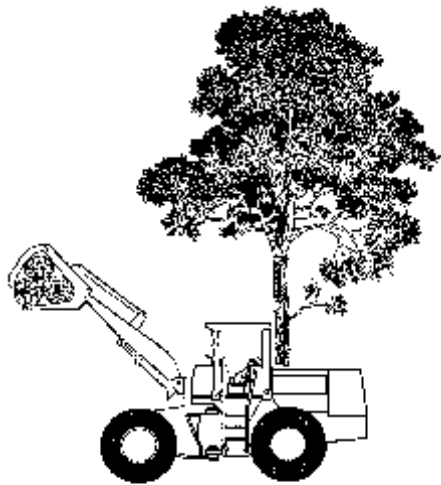
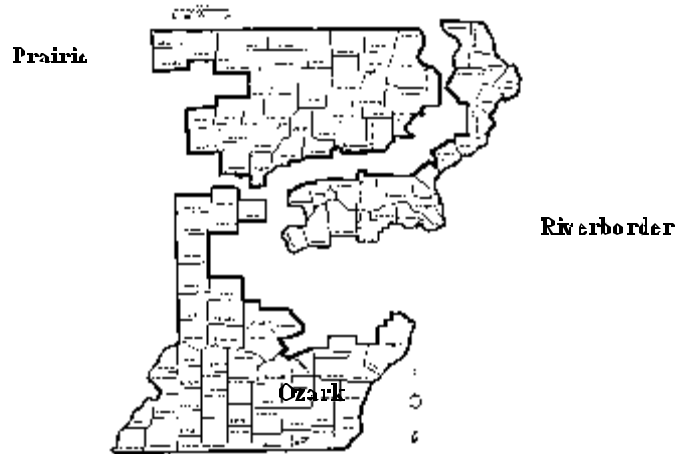


Missouri Timber Price Trends



Quarterly Market Report
Vol. 7 No. 2
April - June, 1997

Price Reporting Regions



Missouri Timber Price Trends tracks market prices for Stumpage and Delivered Logs. Reports on the Stumpage Market are received from Missouri Department of Conservation Resource Foresters and private consulting foresters. Stumpage refers to timber sold on the stump and does not reflect delivered mill prices. Reports on the Log Market give delivered log prices and are compiled from reports submitted by sawmills and other wood processing plants. These reports should serve as a **general** guide to track stumpage and delivered log prices. Landowners should not use this report to replace a timber inventory and marketing assistance as methods of conducting a sale. Missouri Department of Conservation Resource Foresters will be able to provide information on current, local market conditions. Details of all private sales and delivered prices are kept confidential.

Tree Scale Conversion Factors

Sawlogs - Veneer Logs

Int'l = Doyle x 1.38
Int'l = Scribner x 1.18

Pulpwood	Pine	5,200 lbs/cord
	Hardwood (hard)	5,600 lbs/cord
	Hardwood (soft)	4,200 lbs/cord

STATEWIDE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(April - June, 1997)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer Logs							
White oak (group)	\$1800	\$750	\$880	\$1550	-	2	6833
Sawlogs							
Basswood	\$240	\$240	\$240	-	-	1	833
Black Walnut	\$720	\$360	\$590	\$340	-	3	9167
Cottonwood	\$50	\$40	\$50	\$45	-	2	265333
Hackberry	\$160	\$160	\$160	\$75	-	1	1667
Hard Maple	\$180	\$180	\$180	\$195	-	1	37500
Hickory	\$120	\$60	\$65	\$110	-	1	61900
Mixed Hardwoods	\$180	\$50	\$75	\$50	-	3	299500
Oak (mixed species)	\$160	\$120	\$120	\$155	-	7	106000
Red oak (group)	\$650	\$75	\$155	\$150	-	2	2966459
S Yellow Pine	\$155	\$75	\$130	\$120	-	17	63000
Soft Maple	\$95	\$95	\$95	\$90	-	3	7000
White oak (group)	\$720	\$70	\$160	\$140	-	1	1084819

OZARK TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(April - June, 1997)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Sawlogs							
Hickory	\$120	\$60	\$65	\$110	-	3	61900
Mixed Hardwoods	\$65	\$65	\$65	\$90	-	1	2000
Oak (mixed species)	\$160	\$120	\$120	\$150	-	2	106000
Red oak (group)	\$310	\$75	\$150	\$155	-	9	2795543
S Yellow Pine	\$155	\$75	\$130	\$120	-	3	63000
White oak (group)	\$310	\$70	\$150	\$140	-	8	956186

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PRAIRIE TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(April - June, 1997)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer Logs							
White oak (group)	\$750	\$750	\$750	-	-	1	6000
Sawlogs							
Basswood	\$240	\$240	\$240	-	-	1	833
Black Walnut	\$720	\$360	\$590	-	-	3	9167
Cottonwood	\$40	\$40	\$40	-	-	1	43333
Hackberry	\$160	\$160	\$160	-	-	1	1667
Hard Maple	\$180	\$180	\$180	-	-	1	37500
Mixed Hardwoods	\$170	\$75	\$80	\$75	-	4	216667
Red oak (group)	\$650	\$95	\$225	\$105	-	6	140483
Soft Maple	\$95	\$95	\$95	-	-	1	7000
White oak (group)	\$720	\$95	\$235	\$85	-	5	114400

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RIVERBORDER TIMBER STUMPAGE PRICE TRENDS IN MISSOURI

(April - June, 1997)

	High \$/MBF	Low \$/MBF	Weighted Average	Previous Quarter	Last Year	Number of Reports	Total Volume (Board Feet)
Veneer Logs							
White oak (group)	\$1800	\$1800	\$1800	\$1550	-	1	833
Sawlogs							
Cottonwood	\$50	\$50	\$50	\$45	-	1	222000
Mixed Hardwoods	\$180	\$50	\$60	\$45	-	2	80833
Red oak (group)	\$480	\$155	\$265	\$135	-	2	30433
White oak (group)	\$480	\$155	\$260	\$160	-	2	14233

Missouri Log Market Report



Missouri Department of Conservation, Forestry Division University of Missouri, Forestry Extension Missouri Forest Products Association

Welcome to the **Missouri Log Market Report**. This report is intended to provide information on delivered log prices and market conditions for loggers and mill operators. Landowners can benefit by tracking market conditions for the various wood products harvested from a tree.

The Log Market Report is published as a cooperative effort of the Forestry Division of the Missouri Department of Conservation, University of Missouri-Extension and the Missouri Forest Products Association.

The report details prices for **Grade Logs** by species and grade; and prices for **Below Grade Logs** by species and intended end use, such as blocking, pallet lumber or ties. All prices are based on the average mean within the grade standard or product line. Absolute maximums or minimums are not reported. All prices are based on a thousand board feet unit using the International 1/4" Log Scale. Log grades used in this report are based on the following **minimum** criteria:

	Grade 1	Grade 2	Grade 3
Minimum Diameter	13-15"	11"	8"
Minimum Log Length	10'	8'	8'

We hope you find the information useful and will be working to expand the number of participating mills; reported species and products (veneer, etc); and the range of coverage for the report. All information provided by the participating mills is confidential.

If you have any questions, comments, or would like to participate in the reporting program, please call Shelby Jones at (573) 751-4115, Extension 109.

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(April - June, 1997)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$370	\$250	\$190
Black Walnut	\$585	\$335	\$325
Cherry	\$500	\$290	\$220
Cottonwood	\$200	\$200	\$160
Eastern Redcedar	\$320	\$320	\$195
Elm	\$210	\$210	\$175
Gum	\$220	\$220	\$175
Hackberry	\$235	\$235	\$175
Hard Maple	\$370	\$225	\$180
Hickory	\$285	\$265	\$205
Pecan	\$270	\$235	\$185
Red oak (group)	\$440	\$315	\$230
S Yellow Pine	\$235	\$205	\$170
Soft Maple	\$410	\$305	\$225
Sycamore	\$275	\$250	\$250
White oak (group)	\$435	\$310	\$235
Yellow Poplar	\$110	\$110	\$110

* 44 Mill(s) reporting.

Average Ozark Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(April - June, 1997)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$340	\$265	\$180
Black Walnut	\$475	\$290	\$240
Cherry	\$370	\$290	\$255
Cottonwood	\$205	\$205	\$170
Eastern Redcedar	\$415	\$415	\$205
Elm	\$225	\$220	\$180
Gum	\$240	\$220	\$180
Hackberry	\$240	\$220	\$180
Hard Maple	\$325	\$285	\$190
Hickory	\$350	\$320	\$210
Pecan	\$305	\$250	\$210
Red oak (group)	\$365	\$290	\$220
S Yellow Pine	\$250	\$205	\$175
Soft Maple	\$305	\$250	\$210
Sycamore	\$275	\$250	\$250
White oak (group)	\$355	\$305	\$245
Yellow Poplar	\$110	\$110	\$110

* 25 Mill(s) reporting.

Average Prairie Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(April - June, 1997)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$430	\$280	\$230
Black Walnut	\$735	\$570	\$570
Cherry	\$600	\$340	\$180
Cottonwood	\$190	\$190	\$180
Eastern Redcedar	\$120	\$120	-
Elm	\$190	\$190	-
Hackberry	\$300	\$245	-
Hard Maple	\$190	\$190	\$190
Hickory	\$300	\$215	\$190
Pecan	\$300	\$215	-
Red oak (group)	\$660	\$410	\$275
Soft Maple	\$510	\$340	\$320
Sycamore	\$190	\$190	-
White oak (group)	\$735	\$360	\$290

* 8 Mill(s) reporting.

Average Riverborder Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(April - June, 1997)

Sawlogs Species	Grade 1	Grade 2	Grade 3
Ash	\$340	\$185	\$160
Black Walnut	\$555	\$275	\$165
Cherry	\$655	\$245	\$170
Cottonwood	\$120	\$120	\$120
Eastern Redcedar	\$420	\$420	\$175
Elm	\$160	\$145	\$145
Gum	\$160	\$145	\$145
Hackberry	\$160	\$145	\$145
Hard Maple	\$395	\$240	\$145
Hickory	\$215	\$210	\$190
Pecan	\$175	\$145	\$145
Red oak (group)	\$510	\$290	\$225
S Yellow Pine	\$175	\$150	\$150
Soft Maple	\$270	\$225	\$155
White oak (group)	\$480	\$270	\$165

* 11 Mill(s) reporting.

Average Statewide Delivered Prices
Dollars per Thousand Board Feet, International ¼" Scale
(April - June, 1997)

Below Grade Logs

Species	Blocking	Pallet	Tie
Ash	\$155	\$170	\$210
Black Walnut	\$150	\$185	\$220
Cherry	\$150	\$200	\$225
Cottonwood	\$140	\$150	\$155
Eastern Redcedar	-	\$135	\$150
Elm	\$150	\$155	\$185
Gum	\$150	\$140	\$190
Hackberry	\$155	\$155	\$180
Hard Maple	\$155	\$165	\$185
Hickory	\$155	\$155	\$185
Pecan	\$170	\$165	\$195
Red oak (group)	\$150	\$165	\$200
S Yellow Pine	\$155	\$150	\$185
Soft Maple	\$150	\$165	\$180
Sycamore	\$150	\$185	\$205
White oak (group)	\$150	\$165	\$205
Yellow Poplar	-	\$180	-

* 37 Mill(s) reporting.

QUARTERLY MARKET CONDITIONS

50 mills, with a combined annual production of 97,815,000 board feet, participated in the April - June, 1997 survey of log and lumber market conditions. In addition, foresters reported stumpage prices resulting from 58 timber sales containing 4,910,011 thousand board feet located throughout the state.

Log Markets

Delivered log prices generally held firm throughout the state during the second quarter, but the majority of reporting mills were not able to attract enough logs to build their inventories very much. Wet weather continued into late Spring. Markets for most products were good and competition for all sizes and grades of logs remains keen. Probably the most keen competition is currently occurring in the Ozark region for tie logs with delivered prices over \$200/MBF for most species.

Many mills are operating on reduced schedules because of weather and low log supplies. In some areas mill outputs were insufficient to cover demand for lumber and cants. An excess supply of flooring lumber was noted in one area of the Ozarks. Grade mills report increasing difficulty in buying good logs.

It is obvious that demand in the Ozark Region for logs over 14 inches in diameter is becoming greater and competition for these logs contributes to higher delivered prices. It could also mean that larger diameter logs, especially red and white oak species, are not as plentiful as they once were. Have you assessed the future supply of raw materials in your area?

Many reports from sawmill owners indicated they were enjoying the strong market demand, but were beginning to wonder when it might all end. However, most projected stability through next quarter. Log purchases will remain strong through summer in almost all areas of the state. As log inventories increase, we may see some slight softness in log prices, especially in the lower grades. However, prices for larger and higher quality logs will remain steady or increase slightly.

Hardwood pulpwood markets will probably open up in late summer for delivery to the Willamette Industries chipping facility at Mill Springs. We do not yet have any price information for this new market, but will be reporting that as soon as we have something to report.

No delivered veneer log prices were reported by mills last quarter, so that information is absent from this report. Normally we don't expect much action with veneer logs during the summer months, so next quarter's report may not have any veneer prices either!

Stumpage Markets

The number of timber sales conducted by foresters decreased last quarter judging by the number of reports received. However, the volume of sales reported is greater than usual due to several large timber sales from state lands. No sales of federal timber were included. A bright spot in the stumpage market for landowners was several walnut sales that brought good prices. While lower grade walnut lumber is still not selling well, there still appears to be optimism that this market will return soon. I hope that optimism is justified!

Two sales of white oak veneer trees reported last quarter at much different prices. You should probably not judge the market on the basis of only two small timber sales, but please note that only a few hundred board feet of high quality veneer can command a significant price late in the "season." Buyers are sometimes moved to pay higher-than-normal prices for a few logs to finish out an order. There might be a lesson here for landowners and foresters dealing with small volume sales.

Sawlog prices were generally not changed much from the previous quarter. Red oak and white oak are still the most popular species. Hard Maple has cooled off a little and the reported soft maple prices are up only slightly. Pine sawlog prices were up slightly, although the volume reported was rather small.

Log Scale Conversion Factors Revised

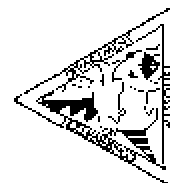
Since this report uses the International 1/4" Scale exclusively, it is necessary for us to convert information given to us in other scales. With this issue we have revised the conversion factor for computing volume in International Scale when the raw data is reported in Doyle Scale. Hopefully, this will result in more accurate figures in both the stumpage and delivered log tables for the Prairie and River Border regions where Doyle Scale is used more often. The new conversion factor is listed on page 2 of this report.

This change will result in slightly increased dollar values for volume reported in Doyle Scale. For those of you who plot our figures on graphs for a pictorial price history of a species or grade, please note the date of this change and take it into account when analyzing real price changes in the future.

If you have any comments or questions, please send them to us at P.O. Box 180; Jefferson City, MO 65102.

Editor's Note:

Remember that one of the most valuable sources for information on log and timber markets is the local Missouri Department of Conservation Resource Forester. Contact the nearest Forest District office for up-to-date, local advice. The Missouri Department of Conservation's Forestry Division, (573) 751-4115, Extension 308, will be happy to provide you with the name and address of the Resource Forester or District Forest Office nearest to you.



MISSOURI DEPARTMENT OF CONSERVATION
FORESTRY DIVISION
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